

CITY UTILITIES BILLING SYSTEM

**CITY OF SUSANVILLE BILLING SYSTEM
FOR WATER UTILITY AND NATURAL GAS UTILITY**

Response Requested: Susanville City Council

Findings: The City water system is the most important utility the City operates. Water is vital. Information gathered presents a picture of the City water system rate structure since the purchase of the system. (see attached)

Concerns from citizens in the northern part of Susanville about water pressure have been noted.

Recommendation: The City water system monthly billing now has only one charge noted as "water". Previous to this change, the monthly billings were itemized as water services, actual water usage and meter fee (a charge based on the size of the pipe serving the customer.) The Grand Jury believes the billing showing the actual water usage separate from the meter fee better serves the citizens who are concerned about water conservation as well as the cost of water usage.

City Water System

The City of Susanville adopted Ordinance 85-667 on May 28, 1986, adding Chapter 24, Water Division, to the Code of the City of Susanville, to set up the structure to own and operate the water system to be purchased from C. P. National Co. located in San Francisco on June 30, 1985. This Ordinance also set the first water service charges to provide revenue for the operation of the water system.

The following fees were adopted under this ordinance, and have been increased as shown:

BASIC MONTHLY SERVICE CHARGE:

	6-1-1985	6-21-2000	Present
5/8 to 3/4 inch	\$5.60	\$12.85	
3/4 inch	8.30	19.05	
1 inch	11.50	26.39	26.39
1 1/2 inch	20.50	47.04	47.04
2 inch	29.00	66.54	66.54
3 inch	47.50	108.99	108.99
4 inch	69.00	158.33	158.33
6 inch	122.00	279.94	279.94
8 inch	198.00	454.33	454.33
10 inch	266.00	610.36	610.36

As shown, the base rate for residential users has increased 471% over a 19 year period. All other rates have increased 229 1/2% over the same period.

INCREASES IN QUANTITY RATES BY RESOLUTION:

6-1-1985	9-1991	11-17-1993	6-2003
0.542 per 100 cf 1st 300 cf	0.58 per 100 cf 1st 300 cf	0.64 per 100 cf 1st 300 cf	0.69 per 100 cf 1st 300 cf
0.692 per 100 cf in excess of 1st 300 cf	0.74 per 100 cf in excess of 1st 300 cf	0.81 per 100 cf in excess of 300 cf	0.873 per 100cf in excess of 300 cf
			0.873 per 100cf over 6,300 cf

Over the same period of time, service connection fees have risen from \$50.85 effective July 1, 1985 to the present rate of \$1,017.00. This represents an increase of 2,000%

There was a recommendation to increase water rates by five percent in October, 2003, but this was not approved by City Council. In addition, the proposal requested an annual automatic fee increase to the CPI to be effective 7-1-2004. However, in researching the City's resolutions, it appears that on July 1, 2000, by Resolution No. 00-3333, the automatic provision had already been enacted, as follows: ***The quantity rates will be increased each July 1 (beginning July 1, 2001) by the Per Capita Personal Income cost-of-living factor provided each May by the State of California Department of Finance.***

Resolution No. 00-3333 adopted June 21, 2000 provides for a Source and Storage Capacity In-Lieu Fee. These fees go into a special fund for capital improvements. The fees in effect at the present time are:

Source Fee:

Single-family residential	\$275.00
Multi-family residential unit	202.00
Commercial/Industrial (per acre)	543.00

Storage Fee:

Single family residential	\$411.00
Multi-family residential unit	303.00
Commercial/Industrial (per acre)	2,586.00

It appears there have been significant rate increases to the average residential user, but almost no repayment of the water bonds to this time. The City has refinanced the water system several times, and has no choice now but to enforce the annual cost-of-living rate increase it adopted on July 1, 2001 in order to comply with the bond requirements.

00 NORTH LASSEN STREET
SERVICE ADDRESS

SERVICE PERIOD

ACCOUNT NUMBER

BILLING SUMMARY

Prev Balance	63.38
Payments	63.38 CR
Adjustments	.00
Balance Forward	.00
Penalties	.00
Current Charge	58.14
Balance Due	58.14

Meter Reading Dates
9/02/2003 - 10/01/2003

SERVICE BILLED	CURRENT CHARGES	METER READINGS		TYPE	USAGE	USAGE SAME PERIOD
		PREVIOUS	PRESENT			
WATER	58.14	8653	8690	WA	3700	4100
WATER LATE FEE	.00					

CURRENT CHARGES: 58.14

The City of Susanville Finance Department along with Administration, Community Development (Building/Planning), and the City Clerk have moved back to 66 N. Lassen St. PLEASE NOTE: The phone number for all utility billing inquiries has changed to 257-1000 ext. 5111. We appreciate your patience during our remodel! REMINDER: Dog Licenses for 2002/2003 expired June 30, 2003!

BILLING INQUIRIES CALL (530) 257-1002

CITY OF SUSANVILLE

66 NORTH LASSEN STREET - SUSANVILLE, CA 96130-3904

SERVICE ADDRESS

SERVICE PERIOD

ACCOUNT NUMBER

8/28/2002 - 10/02/2002

BILLING SUMMARY

rev Balance	68.62
Payments	68.62
Adjustments	
Late Fees	
Balance Forward	
Current Charges	61.63
Balance Due	61.63

Meter Reading dates

Period: 8/28/2002 To:10/02/2002

SERVICE BILLED	CURRENT CHARGES	METER READINGS		TYPE	USAGE	USAGE SAME PERIOD
		PREVIOUS	PRESENT			
Water Service	35.24	8357	8398	H	4100	
Meter Fee	26.39					
Current Charges	61.63					

Statement Reflects Payments Received as of 10/09/2002

ATTENTION: The City of Susanville Finance Department has moved to 608 Nevada Street while City Hall is being remodeled. Our office hours remain the same, Monday - Friday, 8:00a.m. to 5:00p.m.

PLEASE NOTE: Billing Questions 257-1002 Emergencies ONLY: 257-7236

BILLING INQUIRIES CALL (530) 257-7236